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No. 09-326

IN THE

Supreme Court of the United States

SUZAN S. HARJO, *et al.*,
Petitioners,

v.

PRO-FOOTBALL, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the D.C. Circuit

RESPONDENT'S BRIEF IN OPPOSITION

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QUESTION PRESENTED

Whether the equitable defense of laches can ever be invoked by a trademark registrant in response to a cancellation petition filed under 15 U.S.C. 1064(3) of the Lanham Act, where

(a) 15 U.S.C. 1069 provides that "[i]n all inter partes proceedings equitable principles of laches, estoppel, and acquiescence, where applicable may be considered and applied";

(b) The lone circuit decision cited by Petitioners as deeming laches never available, *Marshak* v. *Treadwell*, 240 F.3d 184 (3d Cir. 2001), so suggested only in *dicta* in a footnote (*id.* at 193 n.4); and

(c) *Marshak*'s *dicta* understandably did not consider 15 U.S.C. 1069 or its legislative history because laches was not briefed by the parties to that appeal.

CORPORATE DISCLOSURE STATEMENT

Pursuant to Supreme Court Rule 29.6, Respondent Pro-Football, Inc. ("Pro-Football") states that it is a wholly-owned subsidiary of WFI Group, and that no publicly-held company owns a 10% or greater ownership interest in Pro-Football.

Pro-Football owns and operates the Washington Redskins football club, one of the thirty-two member clubs of the National Football League.

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RESPONDENT'S BRIEF IN OPPOSITION

Contrary to Petitioners' assertion, there is no circuit conflict on whether the doctrine of laches is ever available as a defense to a petition under 15 U.S.C. 1064(3) to cancel a trademark registration. Only two circuits—the D.C. Circuit below and the Federal Circuit—have held on the issue, both deciding that laches can apply. See Pet. App. 21a; *Bridgestone/Firestone Research, Inc.* v. *Auto. Club de l'Ouest de la France*, 245 F.3d 1359, 1360-61 (Fed. Cir. 2001).

Marshak v. *Treadwell*, 240 F.3d 184, 193 n.4 (3d Cir. 2001), claimed by Petitioners to create a conflict, is not a holding, but rather *dicta* or, as the D.C. Circuit equivalently characterized it, a "suggestion." Pet. App. 21a. It is *dicta* because the parties to the *Marshak* appeal did not argue laches, but only statute of limitations, and therefore any laches argument was waived. Understandably, given the absence of briefing on laches, the Third Circuit's *dicta* did not consider the dispositive Lanham Act provision, 15 U.S.C. 1069 ("[i]n all inter partes proceedings equitable principles of laches, estoppel, and acquiescence, where applicable may be considered and applied") or its legislative history.

Respondent respectfully submits that, absent a circuit split, there is no justification for this Court to grant certiorari. Even if there were a split, its shallowness (2-1) suggests that this Court should await further development of the issue in the circuits before granting certiorari. This is especially so because this case is a poor vehicle to decide the issue: Respondent prevailed on an alternative ground

below (*i.e.*, that its trademarks do not disparage) and has preserved several constitutional defenses that would have to be adjudicated even if that alternative ground were reversed. Finally, any dispute about the application of laches to the circumstances of this case is a non-recurring, fact-bound issue that does not warrant this Court's attention.

Accordingly, the petition for a writ of certiorari should be denied.

COUNTERSTATEMENT

1. The Lanham Act provides valuable protections to trademark owners, but conditions some of them on the owner having registered the mark with the Patent and Trademark Office ("PTO"). See, *e.g.*, 15 U.S.C. 1116(a) (conferring jurisdiction on federal courts to enjoin "the violation of any right of the registrant of a mark").

The Act deems certain marks ineligible for registration. For example, a mark is ineligible if it "[c]onsists of or comprises" "immoral, deceptive, or scandalous matter," "matter which may disparage or falsely suggest a connection with persons ...[,]" or "the flag or coat of arms or other insignia of the United States ..."; or if the mark "so resembles a mark registered in the Patent and Trademark Office ... as to be likely ... to cause confusion." 15 U.S.C. 1052(a)-(b), (d).

A separate provision, 15 U.S.C. 1064, addresses the situation where a mark has survived the registration process, but a challenger subsequently alleges a defect in registration in an attempt to show that the mark should not have been registered. Specifically, this provision states that a "person who

believes that he is or will be damaged ... by the registration of a mark" may "petition to cancel" the registration on the ground, *inter alia*, that it was obtained "contrary to the provisions ... of subsection (a), (b), or (c) of section 2 [15 U.S.C. 1052] ...." 15 U.S.C. 1064(3). A petition on this ground may be filed "[a]t any time." *Ibid.* 15 U.S.C. 1064 also provides for a petition for cancellation on other grounds, including "fraudulent[]" procurement of a registration, which similarly may be filed "[a]t any time." *Ibid.*; see also 15 U.S.C. 1064(4), (5). A cancellation petition may also be filed based on "a likelihood of dilution [of the petitioner's mark] by blurring or dilution by tarnishment under section 43(c) [15 U.S.C. 1125(c)]" (15 U.S.C. 1064), but such a petition must be filed "[w]ithin five years from the date of the registration of the mark under this Act." 15 U.S.C. 1064(1).

A petition for cancellation triggers a proceeding before the Trademark Trial and Appeal Board ("TTAB"). 15 U.S.C. 1067. The Act provides in 15 U.S.C. 1069 that, in such proceedings (indeed, in "all inter partes proceedings"), "equitable principles of laches, estoppel, and acquiescence, where applicable may be considered and applied." If the TTAB agrees with the petition and cancels the trademark registration, the registrant has the choice of appealing to the Federal Circuit, 15 U.S.C. 1071(a), or filing a *de novo* action, which may be filed in the U.S. District Court for the District of Columbia in a situation where the adverse parties reside in a plurality of districts, 15 U.S.C. 1071(b).

2. This case involves six trademarks registered with the PTO by Respondent, which owns and

operates the National Football League's Washington Redskins. All six marks contain the word "redskin" or a derivative of it. Pet. App. 17a.

The "Redskins" name was first adopted in 1933, when the franchise was based in Boston, Massachusetts and was known as the "Boston Braves." Pet. App. 82a. The team's then-owner renamed the team the "Boston Redskins" "in honor of the team's head coach, William 'Lone Star' Dietz, who was a Native American." *Ibid.* When the franchise moved to Washington, D.C. in 1937, it became known as the "Washington Redskins" and soon thereafter began using the mark "WASHINGTON REDSKINS" in commerce. Pet. App. 83a.

In 1966, the team applied to the PTO to register the mark "The Redskins" written in script; the PTO reviewed the application and granted it in 1967. Pet. App. 17a, 84a. Derivations of this mark were successfully registered in 1974, 1978, and 1990. Pet. App. 84a-87a.[1] Respondent has used, and continues to use, these marks in connection with goods and services related to the Washington Redskins team, including merchandise and telecasting of games. Pet. App. 17a. Over the years, Respondent has invested "millions of dollars ... promoting, advertising, and protecting its mark ...." Pet. App. 62a-63a.

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[1] Petitioner's reproduction of the district court's opinion (Pet. App. 84a-87a) does not include the actual images of the various registered marks. Those images are available in the reported version of the opinion (including on Westlaw) at 284 F. Supp.2d 96 (D.D.C. 2003).

3. In 1992, twenty-five years after the PTO granted a registration for the first of the Redskins trademarks, Petitioners, seven Native Americans, filed a petition under 15 U.S.C. 1064(3) with the TTAB to cancel Respondent's trademark registrations on the ground that the marks had disparaged Native Americans at the times of registration and had thus been registered in violation of 15 U.S.C. 1052(a). It is undisputed that disparagement is determined as of the time of registration, see Pet. App. 133a; Pet. App. 307a, and thus as of 1967 in the case of the first-registered mark.

Respondent defended its registrations in the TTAB by arguing, *inter alia*, that (a) the cancellation petition was barred by laches because Petitioners had waited many years following registration to bring their petition, a period during which Respondent invested millions of dollars in the marks; (b) cancellation of the marks would violate Respondent's constitutional rights; and (c) on the merits, the marks did not disparage Native Americans as of the times of their registrations.

As to laches, the TTAB rejected the defense, not on the ground that laches may never be asserted in response to an "at any time" cancellation petition under 15 U.S.C. 1064(3), but because it found that in this alleged disparagement case, laches should be rejected due to the "broader interest—an interest beyond the personal interest being asserted by the present petitioners—in preventing a party from receiving the benefits of registration where a trial might show that Respondent's marks hold a substantial segment of the population up to public

ridicule." *Harjo* v. *Pro-Football Inc.*, 30 U.S.P.Q.2d 1828, 1831 (T.T.A.B. 1994).

As to the constitutional arguments, the TTAB declined to address them, stating that it lacked authority to do so. *Id.* at 1832-33; see also Pet. App. 198a.

As to the merits issue of disparagement, the TTAB took evidence from both parties and found that a preponderance of the evidence demonstrated that the term "redskin," as used by Respondent, had disparaged Native Americans from at least 1967, the time of the first registration. Pet. App. 332a.

The TTAB therefore scheduled Respondent's registrations for cancellation.

4. Respondent sought review of the TTAB's decision through a *de novo* civil action in the U.S. District Court for the District of Columbia. See 15 U.S.C. 1071(b). The district court (Kollar-Kotelly, J.) granted summary judgment to Respondent on both laches and disparagement, and found it unnecessary to address Respondent's constitutional defenses. Pet. App. 180a.

Regarding laches, the district court held at the threshold that laches *can* be a defense to a disparagement-based cancellation petition, a defense that is "contingent on the facts and circumstances of each case." Pet. App. 161a. The district court rejected Petitioners' statutory argument that laches is never available as a defense to such a petition. See *Pro-Football, Inc.* v. *Harjo*, No. 99-1385 (CKK),

2000 WL 1923326, *6 (D.D.C. Dec. 11, 2000).[2] The district court subsequently rejected the TTAB's different rationale that laches, while applicable as a matter of statute, should not apply on the facts of this case given the TTAB's perception of the public interest. See Pet. App. 163a. The district court recognized that the public interest could be relevant in applying the laches defense to the facts of a case, but held that it did not warrant ruling out the defense for an entire category of cancellation petitions. See *ibid.* The court also reasoned that "[t]he notion that Pro-Football's trademarks would be subject to attack at any point in time would seriously undermine the entire policy of seeking trademark protection in the first place." Pet. App. 165a.

The district court went on to determine whether, on the facts here, laches should apply. The court found laches applicable because Petitioners had delayed many years in bringing their cancellation petition, and Respondent had suffered trial and economic prejudice during the delay period. Pet. App. 166a-177a.

The district court also ruled in Respondent's favor on an alternative (merits) ground: that the marks did not disparage Native Americans at the time of the marks' registrations. Pet. App. 103a. The court found that "the decision of the TTAB cannot withstand even the deferential level of judicial scrutiny provided by the substantial evidence test." Pet. App. 139a. The court found

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[2] Petitioners did not include this opinion in their appendix.

numerous defects in the TTAB's decision, including its failure to account for the undisputed fact that the marks had been published and registered without opposition from Native Americans or anyone else (including several PTO examiners who reviewed the marks and found that they were not disparaging) on twelve different occasions. See Pet. App. 150a n.30, 158a n.34.

5. Petitioners appealed. A panel of the D.C. Circuit (Sentelle, Randolph, and Tatel, JJ.) issued a *per curiam* decision agreeing with the district court that laches is an available defense to a trademark registrant against whom a cancellation petition is brought on disparagement grounds under 15 U.S.C. 1064(3):

> The Native Americans' statutory argument runs as follows: because section 1064(3) permits petitions alleging wrongful registration under section 1052(a) to be filed "[a]t any time," laches is not a valid defense in cancellation proceedings. We disagree. The words "[a]t any time" demonstrate only that the act imposes no statute of limitations for bringing petitions. Those words have nothing to do with what equitable defenses may be available during cancellation proceedings. Indeed, under the Native Americans' logic, equitable defenses would never be available as long as cancellation petitions are brought within the specified statute of limitations—"[a]t any time" for petitions alleging wrongful registration under section 1052(a) or certain other grounds, *see* 15 U.S.C. § 1064(3)-(5), and "[w]ithin five years" of registration for

> petitions brought for all other reasons, *see id.* § 1064(1). This would make section 1069, which explicitly permits consideration of laches and other equitable doctrines, meaningless as to cancellation petitions.

Pet. App. 20a-21a.

The D.C. Circuit disagreed, however, with the district court's application of laches to the facts. Specifically, the D.C. Circuit held that the district court had "mistakenly started the clock for assessing laches in 1967—the time of the first mark's registration—for *all* seven Native Americans, even though one, Mateo Romero, was at that time only one year old" and hence not of the age of majority. Pet. App. 21a. The D.C. Circuit remanded for the district court to conduct that analysis as to Romero.

6. On remand, the district court found that laches applied as to Romero. The court reasoned that, even after turning 18 in 1984, Romero inexplicably waited eight years to seek cancellation of Respondent's trademark registrations. Pet. App. 44a-45a (collecting circuit decisions holding that delays of two, four, and eight years supported laches defense). The court found that Respondent had suffered trial prejudice during this period due, *inter alia*, to the death of Edward Bennett Williams, who as the Redskins' President had met with Native Americans concerning the marks after the first was registered in 1967. Pet. App. 51a-52a. And the court found that Respondent had suffered economic prejudice because Respondent "substantially expanded [its] use of and investment in the registered marks during the ... Delay Period" and "past investment in the mark will be jeopardized by uncertainty surrounding

the brand name and an economic cost exists when a trademark is cancelled that adversely affects prior investment in the brand." Pet. App. 62a (internal quotation marks omitted).

7. Petitioners again appealed to the D.C. Circuit. That court affirmed in an opinion authored by Judge Tatel. Pet. App. 1a. The court reasoned, *inter alia*, that it is "neither a stretch of imagination nor an abuse of discretion to conclude that Pro-Football might have invested differently in its branding of the Redskins and related entities had Romero acted earlier to place the trademark[s] in doubt." Pet. App. 11a.

REASONS FOR DENYING THE WRIT

Petitioners fail to identify a circuit split. The lone decision (by the Third Circuit) that Petitioners claim is in conflict with the well-reasoned decisions of the D.C. Circuit below and the Federal Circuit addressed the laches issue only in *dicta* in a footnote, without the benefit of briefing by the parties and thus without considering the dispositive language of 15 U.S.C. 1069, which explicitly preserves the laches defense. In any event, even if that Third Circuit decision could be characterized as a holding on the issue, it would create only a shallow 2-1 split, such that this Court should await further development of the issue at the circuit level before granting review, especially because the existence of several alternative grounds for affirmance of the decision below makes this case a poor vehicle for resolving the laches issue.

I. THERE IS NO CIRCUIT SPLIT ON THE AVAILABILITY OF THE LACHES DEFENSE IN RESPONSE TO A CANCELLATION PETITION UNDER 15 U.S.C. 1064(3).

Petitioners acknowledge (Pet. 16) that both the D.C. Circuit and the Federal Circuit have held that laches may be invoked by a trademark registrant in response to a cancellation petition under 15 U.S.C. 1064(3). See Pet. App. 20a-21a; *Bridgestone*, 245 F.3d at 1360-61. Whether the defense succeeds turns on the facts of the case, as "'laches is an equitable doctrine ... primarily addressed to the discretion of the trial court.'" Pet. App. 5a (quoting *Daingerfield Island Protective Soc'y* v. *Lujan*, 920 F.2d 32, 38 (D.C. Cir. 1990)).

Petitioners incorrectly claim (Pet. 16) that the Third Circuit has *held*, to the contrary, that laches is never an available defense in response to a cancellation petition. In fact, as the D.C. Circuit recognized, the Third Circuit's discussion of this laches issue was only a "suggestion" (Pet. App. 21a), *i.e.*, *dicta*, not a holding.

In the Third Circuit case, the parties framed their arguments on appeal solely in terms of the statute of limitations for a cancellation petition, not in terms of laches; indeed, none of the briefs even cited the key provision, 15 U.S.C. 1069, that states that "equitable principles of laches ... where applicable may be considered and applied." See Opening Brief for Appellant in *Marshak* v. *Treadwell*, No. 99-5614 (3d Cir.), 1999 WL 33617536, at *32-*35 (Nov. 9, 1999); Brief of Appellees, 1999 WL 33617906, at *28-*36 (Nov. 23, 1999); Reply Brief for Appellant, 1999 WL

33617537, at *1-*8 (Dec. 7, 1999). Because the registrant (in that case, the appellant) did not raise laches, the defense was waived and thus not properly before the Third Circuit for decision. See, *e.g.*, *FDIC* v. *Deglau*, 207 F.3d 153, 169 (3d Cir. 2000) ("The Deglaus did not raise this issue in their opening brief on appeal. They have therefore waived it ...."); *Chainey* v. *Street*, 523 F.3d 200, 209 (3d Cir. 2008) (affirmative defenses that are not timely raised are waived).

Given the way the appeal was framed, the Third Circuit devoted its attention to addressing whether the cancellation petition complied with the statute of limitations; specifically, to rejecting the trademark registrant's argument that the most closely analogous state-law statute of limitations should apply in lieu of 15 U.S.C. 1064(3)'s "at any time" provision. See *Marshak*, 240 F.3d at 192 ("Marshak maintains ... that under the most analogous state statute [of limitations] ... Treadwell's claim is barred. We reject this argument based on the plain language of the Lanham Act."). It is well-settled that statute of limitations is a distinct concept from the equitable defense of laches. See, *e.g.*, *Holmberg* v. *Armbrecht*, 327 U.S. 392, 396 (1946) ("[L]aches is not, like limitation, a mere matter of time; but principally a question of the inequity of permitting the claim to be enforced ...." (internal quotation marks and citation omitted)).

Only in a footnote, in *dicta*, did the Third Circuit address laches. See *Marshak*, 240 F.3d at 193 n.4. Specifically, the court stated that "[t]he accepted meaning of the phrase 'at any time' under the 1905 Act was that it excluded the defense of laches in a

cancellation proceeding." *Id.* (citing, *inter alia*, *White House Milk Prods. Co.* v. *Dwinell-Wright Co.*, 27 C.C.P.A. 1194, 111 F.2d 490, 493 (C.C.P.A. 1940)). The court went on to say that, "although the Lanham Act now specifically provides that an infringement action is subject to equitable defenses, *see* 15 U.S.C. § 1125, the statute continues to provide that a mark is vulnerable to a cancellation proceeding 'at any time.'" *Marshak*, 240 F.3d at 193 n.4.

Understandably, given the absence of briefing on laches, the Third Circuit's footnoted "suggestion" (Pet. App. 21a) did not take into account the dispositive language of 15 U.S.C. 1069 ("laches ... where applicable may be considered and applied")[3] or its legislative history, which shows that this provision was enacted in 1946, after the "at any time" language, and with the specific purpose to reverse the outcome of the *Dwinell-Wright* case (cited in *Marshak*, 240 F.3d at 193 n.4), where "a mark ... was canceled after 20 years on the Register" even though the petitioner had knowledge of the registration for "all those years." Hearings on H.R. 102, H.R. 5461, and S. 895 Before the Subcommittee on Trademarks

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[3] Petitioners misrepresent *Marshak* as "acknowledg[ing] the language of 15 U.S.C. § 1069." Pet. 15-16 (citing *Marshak*, 240 F.3d at 193 n.4). In fact, the only statutory provisions cited in the laches footnote in *Marshak* are "Section 14(3) [15 U.S.C. 1064(3)]"; "Section 13 of the Trademark Act of 1905, 15 U.S.C. § 93"; and "15 U.S.C. § 1125." 240 F.3d at 193 n.4. See *Butkus* v. *Downtown Athletic Club of Orlando, Inc.*, No. CV 07-2507 PA (JWJx), 2008 WL 2557427, *6 (C.D. Cal. Apr. 2, 2008) (observing that *Marshak* "fail[ed] to address the applicability of § 1069's reference to the doctrine of laches").

of the House Committee on Patents, 77th Cong., 1st Sess. 153, 154, 160 (1941) (describing the result in *Dwinell-Wright* as an "injustice").

Nor can the Third Circuit's passing citation to the TTAB decision in this case, in support of the proposition that "a *statute of limitations* should not operate to frustrate" "the integrity of the federal register," 240 F.3d at 194 (emphasis added), be construed as a holding on laches. See *Marshak*, 240 F.3d at 194 (citing *Harjo* v. *Pro-Football, Inc.*, 30 U.S.P.Q.2d 1828, 1831, 1994 WL 262249 (T.T.A.B. 1994)). Again, the Third Circuit was clearly focused on the statute of limitations, not on the distinct laches defense that had been waived. Moreover, as noted in the Counterstatement, *supra*, at 5-6, the TTAB decision did not hold that laches is never available as a defense to a trademark registrant against whom an "at any time" cancellation petition is brought under 15 U.S.C. 1064(3). Rather, consistent with other TTAB decisions, it held that laches is available but that, in applying laches to the facts, the public interest should be taken into account along with other factors. *Harjo*, 30 U.S.P.Q.2d at 1830-31; see also, *e.g.*, *Saint-Gobain Abrasives, Inc.* v. *Unova Indus. Automation Sys., Inc.*, 66 U.S.P.Q.2d 1355, 1359 (T.T.A.B. 2003).[4] And the public interest is different in a case of fraudulent procurement (like *Marshak*) than it is in a disparagement case (like this one),

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[4] Indeed, the TTAB recently sustained a laches defense to a cancellation petition under 15 U.S.C. 1064(3). See *Hornby* v. *TJX Cos.*, 87 U.S.P.Q.2d 1411, 1419 (T.T.A.B. 2008).

demonstrating that there is no intercircuit tension in this respect either.

Because there is currently no circuit split, and because there is no reason to think that a circuit split will develop, it would be a premature, unnecessary use of this Court's resources for the Court to grant certiorari now.

II. EVEN IF THERE IS A CIRCUIT SPLIT, IT IS EXTREMELY SHALLOW, AND THIS CASE IS A POOR VEHICLE TO RESOLVE IT.

Even if *Marshak* is somehow construed as a holding on the issue whether laches is ever available in response to a 15 U.S.C. 1064(3) cancellation petition, it would set up only a shallow, 2-1 split. Moreover, as explained above, the minority (of one) position in that split did not take into account the key considerations that support the majority position, namely 15 U.S.C. 1069 and its legislative history. Accordingly, this Court would benefit from further development of the issue in the circuits before granting certiorari.

Not only is the split shallow, but this case is a poor vehicle to resolve it because the judgment in favor of Respondent rests on one alternative ground (no disparagement) that has already been accepted by the district court, and may also rest on other alternative grounds (constitutional arguments concerning due process and free speech) that Respondent preserved but that have not yet been adjudicated.

First, in granting summary judgment to Respondent on Petitioners' disparagement claim, the district

court rejected the TTAB's finding of disparagement as logically flawed and lacking evidentiary support. Pet. App. 133a. The court found that the TTAB relied on survey evidence that was irrelevant and not probative, and that the only independent or additional evidence that the mark was disparaging to Native Americans as a group was the testimony of the seven Native Americans who brought suit. Pet. App. 140-41a, 149a. The court further found that the TTAB's finding was undermined by the undisputed fact that the marks at issue had been published and registered without opposition from Native Americans or anyone else (including several PTO examiners who reviewed the marks and found that they were not disparaging) on twelve different occasions. See Pet. App. 150a n.30, 158a n.34.

Second, Respondent also timely presented several constitutional defenses that the district court found unnecessary to resolve in view of its decision for Respondent on the laches and disparagement issues. See Pet. App. 180a. Specifically, Respondent argued that cancellation of the registrations would violate (1) Respondent's Fifth Amendment due-process rights because cancellation would strip Respondent of rights that became valuable by virtue of Respondent's extensive monetary investment during the years since the registrations were issued, see Complaint in *Pro-Football Inc.* v. *Harjo*, No. 99-1385 (CKK) (D.D.C.) (filed June 1, 1999), ¶¶ 117-18; and (2) Respondent's First Amendment rights because the cancellation statute, on its face or as applied to Respondent, imposes a condition on the content of speech (namely, depriving a registrant of valuable rights if the trademark is deemed to "disparage") and

because the statutory term "disparage" is hopelessly vague, see *id.* ¶¶ 112-16.

In short, even if the laches ground for judgment in favor of Respondent were reversed, Respondent would still have the alternative no-disparagement ground, which the district court accepted.[5] And even if both the laches and the no-disparagement grounds were reversed, it would remain necessary to adjudicate Respondent's constitutional defenses to cancellation. These considerations underscore why this case is a poor vehicle to address the laches issue.

III. THE D.C. CIRCUIT AND THE FEDERAL CIRCUIT ARE CORRECT IN HOLDING THAT LACHES IS AVAILABLE AS A DEFENSE TO A CANCELLATION PETITION.

Certiorari should also be denied because the D.C. Circuit and the Federal Circuit were clearly correct in holding that laches is an available defense to a cancellation petition under 15 U.S.C. 1064(3).

15 U.S.C. 1069 specifically states that equitable defenses, including "laches," are available "in *all* inter partes proceedings."[6] (Emphasis added.) Even

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[5] The D.C. Circuit did not reach the no-disparagement holding. See Pet. App. 4a.

[6] Petitioners incorrectly suggest (Pet. 14-15) that the "where applicable" language of 15 U.S.C. 1069 speaks to the "applicability" of that provision to other parts of the Lanham Act, such as 15 U.S.C. 1064(3). "Where applicable" simply means that, where the elements of the equitable defense (*i.e.*, unreasonable delay by the petitioner and prejudice to the respondent) have been proven, it may be applied. Tellingly, 15 U.S.C. 1064(3) does not state that

absent this explicit directive from Congress, a plain reading of 15 U.S.C. 1064 does not, as Petitioners suggest, preclude the defense of laches. Rather, its "[a]t any time" language prescribes the relevant *statute of limitations* for filing claims pursuant to that subsection. 15 U.S.C. 1064(1), (3)-(5) (cancellation petitions under 1064(3), (4), and (5) may "be filed ... [a]t any time" and petitions for other reasons may "be filed ... [w]ithin five years" of registration). And it is well-settled that statute of limitations is a distinct concept from laches. See, *e.g.*, *Holmberg*, 327 U.S. at 396 ("[L]aches is not, like limitation, a mere matter of time; but principally a question of the inequity of permitting the claim to be enforced ...."); *Beaty* v. *Selinger (In re Beaty)*, 306 F.3d 914, 924-26 (9th Cir. 2002) (Bankruptcy Rule specifying certain actions could be filed "at any time" did not preclude application of laches because, *inter alia*, "[t]here is ... nothing inherently contradictory about saying that an action that may be brought 'at any time' is nonetheless subject to an equitable limitation based on prejudicial delay").

The plain meaning of the statutory text is further buttressed by the legislative history of 15 U.S.C 1069, which makes clear that this provision was introduced to eliminate the hardship imposed on trademark registrants under the restrictive reading

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its "at any time" language is an exception from 15 U.S.C. 1069; nor does 15 U.S.C. 1069 state that it is subject to 15 U.S.C. 1064(3). Congress knew well how to cross-reference sections in the Lanham Act, see, *e.g.*, 15 U.S.C. 1064(3) (cross-referencing 15 U.S.C. 1052(a)-(c), 1054), and intentionally chose not to do so here. See, *e.g.*, *Russello* v. *United States*, 464 U.S. 16, 23 (1983).

given to the 1905 Act's "at any time" language by some courts, see, *e.g.*, *Dwinell-Wright Co.*, 111 F.2d at 494, and to restore to a trademark registrant a "defense which he should have had at all times." Hearings on H.R. 102, H.R. 5461, and S. 895 Before the Subcommittee on Trademarks of the House Committee on Patents, 77th Cong., 1st Sess. 153, 154 (1941).

Under Petitioners' reading of the statute, laches would never be available in cancellation proceedings when a cancellation petition is brought within the specified statute of limitations—either at "any time" under section 1064(3)-(5) or "[w]ithin five years" for other reasons, 15 U.S.C. 1064(1). This reading eviscerates 15 U.S.C. 1069, in direct contravention of that section's purpose as recognized by Congress—to ensure the availability of equitable defenses in all proceedings. See Pet. App. 20a-21a (laches available as defense to cancellation petition where limitations period is "[a]t any time"); *Nat'l Cable Television Ass'n, Inc.* v. *Am. Cinema Editors, Inc.*, 937 F.2d 1572, 1582 (Fed. Cir. 1991) (laches available as a defense to cancellation petition where limitations period is "[w]ithin five years").[7]

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[7] Petitioners' assertion that the D.C. Circuit's and Federal Circuit's interpretation of the statute would lead to "absurd results" contravening the public interest (Pet. 16-18) is unpersuasive because, as Petitioners' own cases recognize, laches is an *equitable* doctrine and courts will necessarily consider such factors as the public interest on a case-by-case basis. See, *e.g.*, *Jarrow Formulas, Inc.* v. *Nutrition Now, Inc.*, 304 F.3d 829, 840-41 (9th Cir. 2002) (considering specific public interest at issue in deciding laches defense); *Conopco Inc.* v. *Campbell Soup Co.*, 95

Given the plain language of the statute and clear legislative history, the D.C. Circuit and Federal Circuit correctly held that laches is an available defense to a cancellation petition under 15 U.S.C. 1064(3), and this Court's intervention is therefore not required.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted,

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F.3d 187, 193 (2d Cir. 1996) (noting that "public interest must be considered in any *application* of laches" (emphasis added)). But such an inquiry is inevitably fact-bound and thus not conducive to this Court's review on a writ of certiorari.